

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON

STEVEN L. MCNAMARA,)	
)	
Plaintiff,)	Civ. No. 07-60789
)	
vs.)	
)	
)	OPINION and ORDER
UNIVERSAL COMMERCIAL SERVICES,)	
INC., and Arizona Corporation,)	
and SABINE SHARP, an individual,)	
)	
Defendants.)	

Coffin, Magistrate Judge:

Plaintiff brought this infringement action against defendants after copyrighted material that he authored was posted on GlendaleDesigns.com, a website controlled by defendant Universal Commercial Services, Inc. Defendants assert that they did not infringe plaintiff's copyright and they raise the affirmative defenses of fair use, estoppel, and misuse.

Plaintiff now moves for summary judgment on defendants' liability for infringement and against the affirmative defense of misuse. Because plaintiff concedes that (1) genuine issues of material fact exist concerning whether the affirmative defenses of estoppel and fair use apply, and (2) such defenses implicate the question of liability for infringement, summary judgment on the issue of infringement liability is denied.

Summary judgment is granted in plaintiff's favor against the affirmative defense of misuse. The affirmative defense of

1 misuse "forbids a copyright holder from secur[ing] an exclusive
2 right or limited monopoly not granted by the Copyright Office."
3 A&M Records, Inc. v. Napster, Inc., 239 F.3d 1004, 1026 (9th
4 Cir. 2001) 9internal quotation marks omitted). Typically, "the
5 affirmative defense of copyright misuse involve[s] unduly
6 restrictive licensing schemes" but may also involve "a
7 unilateral refusal to license a copyright." Id. at 1027, n.8.

8 In this case, defendants assert that plaintiff sought to
9 control areas outside the monopoly granted via the copyright
10 when plaintiff's attorney sent a letter to defendants that
11 essentially demanded a civil settlement of \$300,000; if
12 defendants declined, plaintiff promised to "pursue criminal
13 charges" under 15 U.S.C. § 506. In defendants' view, when
14 plaintiff's attorney sent the letter, plaintiff attempted to
15 control an area outside the monopoly granted by the Copyright
16 Office, viz., defendants' financial situation, which would be
17 adversely affected by compliance with the \$300,000 demand.

18 My review of the common law in this circuit concerning the
19 defense of misuse has not revealed any opinion that conceives
20 of the defense so broadly. Rather, misuse is understood to
21 apply when a copyright holder uses the copyright to control the
22 commerce of goods and services that are typically related to
23 the area governed by the copyright. Here, the demand letter
24 uses the potential for a civil action and criminal prosecution
25 to attempt to obtain a civil satisfaction. It does not
26 demonstrate a genuine issue of material fact concerning whether
27 plaintiff attempted to control the use of information outside
28

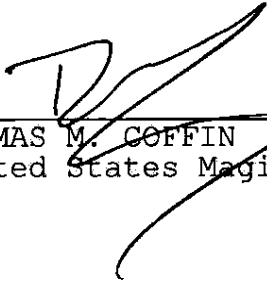
1 the scope of plaintiff's copyright.¹ Plaintiff's motion for
2 summary judgment on the affirmative defense of misuse is
3 granted.

4 Conclusion

5 Plaintiff's motion for summary judgment (#25) is granted in
6 part and denied in part.

7
8 IT IS SO ORDERED.

9
10 Dated this 20th day of March, 2008.

11
12
13 
14 THOMAS M. COFFIN
15 United States Magistrate Judge
16
17
18
19
20
21
22
23
24
25
26

27
28

¹The letter in question is, however, relevant to the affirmative defense of estoppel.